

APPROVED

6/15/99

LOUISIANA GAMING CONTROL BOARD

Minutes of May 18, 1999

The Louisiana Gaming Control Board conducted a meeting on Tuesday, May 18, 1999, 10:00 a.m., Dept. of Natural Resources Bldg., Mineral Board Hearing Room.

Present at his meeting were: Hillary J. Crain, Chairman; James Boyer, Sherian Cadoria, Marcia Morgan, Dudley Lastrapes, Rupert Richardson, and ex-officio members, Col. W.R. "Rut" Whittington and Sec. Brett Crawford. Absent were board members Robert Fleming, Ralph Perlman, and Ecotry Fuller.

The meeting was called to order. General Cadoria made a motion to approve the minutes of April 20, 1999. That motion was seconded by Marcia Morgan and unanimously approved by the Board.

Mr. Robert Tucker, riverboat gaming, presented the monthly riverboat revenue report: Mr. Mike Legendre, video gaming, presented the video poker figures and Mr. Hugh McKnight, indian gaming, presented the quarterly figures for net gaming revenue in indian gaming.

The next item for consideration was the approval of the Hearing Officers' Contracts for the 1999-2000 fiscal year. The Chairman stated that an agreement was reached with the current hearing officers to continue their duties at the same price.

A motion was made by General Cadoria to approve the contracts for the Hearing Officers. That motion was seconded by Mr. James Boyer and unanimously approved by the Board.

In addition to the Hearing Officers' contracts, the Board had to contract with a court reporting service. The Chairman stated that United Court Reporters had also agreed to enter into a new contract at the same rate as their previous contract.

Mr. Dudley Lastrapes made a motion to approve the Court Reporter's contract. That motion was seconded by Ms. Morgan and unanimously approved by the Board.

The Board then acted on a Petition for Approval of Refinancing of Argosy Gaming Company. Ms. Lonna Willingham, auditor in the riverboat gaming division explained the financial aspects of this petition. Following the presentation, Mr. Boyer made a motion to approve the refinancing. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The Chairman then called upon Mr. Leonce Gautreaux, Asst. Attorney General in the Gaming Division, to update the Board as the results of the meeting between Bally's and Metro. The

two partners were ordered to provide a list to the Board of items that would be placed in escrow. As of this date, the Gaming Control Board has not received a list.

The Board acted upon an application for a new truckstop for Feliciana Ventures, Inc., d/b/a Amite Plaza Truckstop. It was moved by Mr. Boyer to approve the application. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.

The next item on the agenda was the Casino Support Services Contract with the City of New Orleans.

The Chairman stated that the Gaming Control Board has to enter into a contract with the City of New Orleans which will reimburse them for support services they expend in connection with the operation of the land base casino. This contract will have to be negotiated on a yearly basis.

After the Board and the City agree on the contract, it has to be submitted to the Joint Legislative Committee on the Budget for their approval, and by joint resolution of both the House of Representatives and the Senate.

Various representatives of the City of New Orleans were on hand to address the Board on this contract. Mr. Roy Rodney, city attorney, Ms. Helen Coleman, Chairman of the Rivergate Development Corporation, Mr. Marlin Gusman, Chief Administrative Officer of the City of New Orleans, Chief Serpas of the Police Department and Chief McDaniels of the Fire Department.

After the city's presentation, Mr. Boyer offered the following motion:

1. To authorize the Chairman to negotiate the contract which would not exceed the amount that is requested by the city, and which would be subject to legislative approval as required by the statute;
2. To provide that the annualized amount would be reduced to the contract term provided the term of the first contract is less than one year;
3. To provide for necessary accounting of the funds to ensure that the expenditures are for casino support services; and,
4. To provide for such protections to the state for general liabilities that the attorneys for the board deem necessary in order to protect the interests of the state.

The motion was seconded by Ms. Richardson and unanimously approved by the Board.

Mr. Jay Quinlan, Asst. Attorney General in the Gaming Division, addressed the Board with reference to two other land base issues that had been recently acted upon.

First, there was a request to approve a lease financing arrangement between Harrah's operating company and Harrah's Entertainment, the parent company. Harrah's Operating Company

would own title to the slot machines being used by Jazz Casino Company in New Orleans.

Second, there was a request to refurbish some slot machines that hadn't been used in the past few years.

The Board skipped the Executive Session for this meeting and continued with the agenda.

The Board acted upon hearing/recommendations, and settlements in the following cases:

1. **In Re: St. Charles Gaming d/b/a Isle of Capri - RGS980684 and Grand Palais d/b/a Isle of Capri - RGS980677** - Motion to approve both settlements by Ms. Morgan, seconded by Ms. Richardson and unanimously approved by the Board.
3. **In Re: Signorelli's Liquor - No. 0101105825** - Motion by Mr. Boyer to allow the licensee to surrender his license. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
4. **In Re: Patrick Guarisco - Cert. No. I040010770** - Motion by Gen. Cadoria to affirm the result of Hearing Officer's decision. That motion was seconded by Ms. Richardson and approved 5 to 1. Ms. Morgan voted against the decision.
5. **In Re: Showboat Star Partnership - RGS9670747** - Motion by Ms. Morgan to reverse the Hearing Officer and impose a \$5,000.00 fine. That motion was seconded by Mr. Boyer and approved by a 4 to 2 vote. Ms. Richardson and Chairman Crain voted against the motion.
6. **In Re: Carousel Recreation Center d/b/a Bayou Bowl - No. 3701100932** - Motion by Mr. Lastrapes to affirm the decision of the Hearing Officer, but modify the holding of the revocation to allow for a 90-day period to come into compliance, otherwise the license will be revoked. That motion was seconded by Gen. Cadoria and unanimously approved by the Board.
7. **In Re: Trai Quy Le - Cert. No. I040002233** - Motion by Mr. Lastrapes to affirm the decision of the Hearing Officer. That motion was seconded by Mr. Boyer and unanimously approved by the Board.
8. **In Re: Marshall Fenn Communications, Inc. - No. 0867501352** - Motion by Mr. Boyer to affirm the Hearing Officer's decision. That motion was seconded by Mr. Lastrapes and unanimously approved by the Board. Ms. Morgan recused herself from this appeal.

There being no further business, General Cadoria made a motion to adjourn. That motion was seconded by Mr. Boyer and unanimously approved by the Board.

The meeting was then adjourned.